

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

FINANCIAL STATEMENTS

For the year ended December 31, 2013

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**CALVIN L. ROBBINS, JR.**

**CERTIFIED PUBLIC ACCOUNTANT**

(A PROFESSIONAL CORPORATION)

**INDEPENDENT AUDITOR'S REPORT**

To the Chairman and Members of the  
West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

**Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and each major fund of the West Baton Rouge Convention & Visitors Bureau, a component unit of the West Baton Rouge Parish Council as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the West Baton Rouge Convention & Visitors Bureau's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

The West Baton Rouge Convention & Visitors Bureau's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion.

West Baton Rouge Convention  
& Visitors Bureau

An audit also include evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**Opinions**

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the West Baton Rouge Convention & Visitors Bureau as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 9 and budgetary comparison information on pages 29 through 31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

West Baton Rouge Convention  
& Visitors Bureau


*Other Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Baton Rouge Convention and Visitors Bureau's basic financial statements. The accompanying financial information listed as "Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the West Baton Rouge Convention and Visitors Bureau.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have issued my report dated June 27, 2014, on my consideration of the West Baton Rouge Convention & Visitors Bureau's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West Baton Rouge Convention and Visitor Bureau's internal control over financial reporting and compliance.

  
Certified Public Accountant  
(A Professional Corporation)

June 27, 2014  
Baton Rouge, Louisiana

## MANAGEMENT DISCUSSION AND ANALYSIS

**West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana**

**Management's Discussion and Analysis**

This section of the Convention & Visitors Bureau's annual report represents Management's analysis of the Convention & Visitors Bureau's financial performance during the year ended December 31, 2013. Please read it in conjunction with the financial statements, which follow this section.

**NAME CHANGE**

Prior to 2007 the West Baton Rouge Convention & Visitors Bureau was named the West Baton Rouge Tourist Commission. On April 26, 2007, the West Baton Rouge Parish Council adopted an ordinance officially changing the Commission's name to the West Baton Rouge Convention & Visitors Bureau.

**FINANCIAL HIGHLIGHTS**

The Convention & Visitors Bureau's net position decreased by \$42,538 or 2.8%.

The Convention & Visitors Bureau's revenues increased by \$11,601 or .9%.

The Convention & Visitors Bureau's expenditures increased by \$65,430 or 5.4%.

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the Convention & Visitors Bureau's basic financial statements. The basic financial statements include: (1) government-wide financial statements, and fund financial statements, and (2) notes to the basic financial statements. The Convention & Visitors Bureau also includes in this report additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

**West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana**

**Management's Discussion and Analysis, Continued**

**Government-wide Financial Statements**

The Convention & Visitors Bureau's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Convention & Visitors Bureau's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position. This is the government-wide statement of position presenting information that includes all of the Convention & Visitors Bureau's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Convention & Visitors Bureau as a whole is improving or deteriorating. Evaluation of the overall health of the Convention & Visitors Bureau would extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities and Changes in Net Position which reports how the Convention & Visitors Bureau's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when the Convention & Visitors Bureau receives or pays cash. An important purpose of the design of the statement of activities is to show the financial reliance of the Convention & Visitors Bureau's distinct activities or functions on revenues provided by the Convention & Visitors Bureau's taxpayers.

The government-wide financial statements are presented along with fund financial statements on pages 10 and 11 of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Convention & Visitors Bureau uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Convention & Visitors Bureau's general fund and two special revenue funds. All funds are governmental fund types.



**West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana**

**Management's Discussion and Analysis, Continued**

The Convention & Visitors Bureau uses only one fund type:

The Governmental funds are reported in the fund financial statements and encompasses the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Convention & Visitors Bureau's governmental fund. These statements report short-term calendar accountability focusing on the use of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 10 to 11 of this report along with the government-wide financial statements.

**Notes to the Basic Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 13 of this report.

**FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU AS A WHOLE**

The Convention & Visitors Bureau's net position at fiscal year-end is \$1,470,799. The following table provides a summary of the Convention & Visitors Bureau's net position:

West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

Management's Discussion and Analysis, Continued

Summary of Net Position

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Assets:		
Current assets	\$ 293,983	\$ 407,464
Capital assets, net of accumulated depreciation	<u>1,297,803</u>	<u>1,311,159</u>
Total assets	<u>1,591,786</u>	<u>1,718,623</u>
Liabilities:		
Current liabilities	120,987	172,286
Long-Term liabilities	<u>-0-</u>	<u>33,000</u>
Total liabilities	<u>120,987</u>	<u>205,286</u>
Net position:		
Investment in capital assets, net of related debt	1,264,803	1,292,501
Restricted	73,947	85,761
Unrestricted	<u>132,049</u>	<u>135,075</u>
Total net position	\$ <u>1,470,799</u>	\$ <u>1,513,337</u>

The Convention & Visitors Bureau continues to maintain a extremely high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at December 31, 2013 is approximately 2.4 to 1.

The Convention & Visitors Bureau reported a positive balance in net position for its governmental activities. Net position decreased from 2012 by \$42,538. Note that approximately 88% of the governmental activities' net position at December 31, 2013 is tied up in capital assets. The Convention & Visitors Bureau uses these capital assets to provide services to its citizens and tourists visiting the parish.

The following data is presented on the accrual basis of accounting which means that all costs are presented; however, the purchase of capital assets is not included but depreciation on the capital assets is included.

West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

Management's Discussion and Analysis, Continued

The following table provided a summary of the Convention & Visitors Bureau's changes in net position:

Summary of Activity and Changes in Net Position

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Revenues:		
Taxes	\$ 829,305	\$ 861,061
Charges for services	266,081	345,093
Interest	223	382
Other	<u>143,125</u>	<u>20,597</u>
 Total Revenues	 <u>1,238,734</u>	 <u>1,227,133</u>
Expenses:		
Personnel services	403,776	415,765
Other services and charges	842,391	765,808
Depreciation	<u>35,105</u>	<u>34,269</u>
 Total expenses	 <u>1,281,272</u>	 <u>1,215,842</u>
 Transfers	 -0-	 -0-
Loss on capital asset abandoned	<u>-0-</u>	<u>-0-</u>
 Change in net position	 (42,538)	 11,291
 Beginning net position	 <u>1,513,337</u>	 <u>1,502,046</u>
  Ending net position	  \$ <u>1,470,799</u>	  \$ <u>1,513,377</u>

**West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana**

**Management's Discussion and Analysis, Continued**

**GOVERNMENTAL REVENUE**

The Convention & Visitors Bureau is heavily reliant on hotel-motel tax and the state sales tax rebate to support its operations. Hotel-motel taxes and state sales tax rebate provided 67.0% in 2013 and 70.2% in 2012 of the Convention & Visitors Bureau's total revenues. Because of the Convention & Visitors Bureau's healthy financial position, we have been able to earn interest income of \$223 in 2013 and \$382 in 2012 to support our activities. Also, note that in 2013 charges for services covered only 20.8% of governmental operating expenses and only 28.3% in 2012. This means that the Convention & Visitors Bureau's taxpayers and the Convention & Visitors Bureau's other general revenues fund a significant portion of the Convention & Visitors Bureau's activities. As a result, the general economy and local businesses have a major impact on the Convention & Visitors Bureau's revenue streams.

**CHANGE IN NET POSITION**

The Bureau's ending net position is \$1,470,799 a decrease of \$42,538 over the prior year. This decrease is the result of the events and programs described within the analysis of the Convention & Visitors Bureau's activities described above. Of total net position, at December 31, 2013 \$132,049 (\$135,075 for 2012) was unrestricted indicating availability for continuing Parish Convention & Visitors Bureau service requirements.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

Salaries and related expenses comprised 31.5% in 2013 and 34.2% in 2012 of total expenses. Operating services, materials and supplies made up 65.7% in 2013 and 63.% in 2012 the total expenses.

**FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU'S GOVERNMENTAL FUNDS**

The General Fund is the Convention & Visitors Bureau's operating fund and along with the Special Revenue Funds are the sources of day-to-day service delivery. As discussed, the General and Special Revenue Funds

West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

Management's Discussion and Analysis, Continued

**FINANCIAL ANALYSIS OF THE CONVENTION & VISITORS BUREAU'S GOVERNMENTAL FUNDS - CONTINUED**

are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

**BUDGETARY HIGHLIGHT**

At year-end, the Convention & Visitors Bureau realized just over 100% of our final budget revenue.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Convention & Visitors Bureau's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2013 was \$1,297,803 compared to \$1,311,159 at December 31, 2012. In 2013 depreciation expense was \$35,105 and \$21,747 was expended to purchase additional assets.

West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

Management's Discussion and Analysis, Continued

Capital Assets - Continued

See Note 3 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets		
	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Depreciable assets	\$ 710,067	\$ 688,319
Less accumulated depreciation	(250,370)	(215,266)
Land	<u>838,106</u>	<u>838,106</u>
Book value-depreciable assets	\$ <u>1,297,803</u>	\$ <u>1,311,159</u>

At December 31, 2013 accumulated depreciation on depreciable capital assets for governmental activities was 35.3% of original cost. The book value of the capital assets decreased by \$13,356.

Long-term Debt

The Convention & Visitors Bureau may issue general obligation debt to meet its capital needs. During the current year the Convention & Visitors Bureau incurred no additional debt. See note 4 to the financial statements for a discussion and analysis of long-term debt.

West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

Management's Discussion and Analysis, Continued

CONTACTING THE CONVENTION & VISITORS BUREAU'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Convention & Visitors Bureau's finances, comply with finance-related laws and regulations, and demonstrate the Convention & Visitors Bureau's commitment to public accountability. If you have any questions about the contents of this report or would like to request additional information, please contact the West Baton Rouge Convention & Visitors Bureau, 2750 N. Westport Drive, Port Allen, Louisiana, 70767.

## FINANCIAL STATEMENTS



# West Baton Rouge Convention & Visitors Bureau

## Statement of Net Position and Governmental Funds Balance Sheet

December 31, 2013

	General Fund	Other Funds	Total	Adjustments (See Note 7)	Statement of Net Position
<b>ASSETS</b>					
Cash and cash equivalents	\$25	\$48,554	\$48,579		\$48,579
Accounts receivable	13,609	34,026	47,635		47,635
Investments - LAMP	92,813	63,217	156,030		156,030
Hotel-Motel tax receivable	39,454	0	39,454		39,454
Prepaid expenses	2,285	0	2,285		2,285
Interfund receivables	1,211	25,130	26,341	(26,341)	0
Capital assets, net of accumulated depreciation	0	0	0	1,297,803	1,297,803
Total assets	<u>\$149,397</u>	<u>\$170,927</u>	<u>\$320,324</u>	1,271,462	1,591,786
<b>LIABILITIES</b>					
Accounts payable	\$12,987	\$75,000	\$87,987		\$87,987
Grants received in advance	0	0	0		0
Interfund payables	21,880	4,461	26,341	(26,341)	0
Long-term liabilities:					
Due within one year	0	0	0	33,000	33,000
Due after one year	0	0	0	0	0
Total liabilities	<u>34,867</u>	<u>79,461</u>	<u>114,328</u>	6,659	120,987
<b>FUND BALANCE/ NET POSITION</b>					
Fund Balance:					
Nonspendable Prepaid items		0	0	0	0
Reserved for tourist promotion					
Enterprise fund		73,947	73,947	(73,947)	0
Committed for tourist promotion					
Riverfront Development	0	17,519	17,519	(17,519)	0
Unassigned	114,530	0	114,530	(114,530)	0
Total fund balances	<u>114,530</u>	<u>91,466</u>	<u>205,996</u>		
Total liabilities and fund balances	<u>\$149,397</u>	<u>\$170,927</u>	<u>\$320,324</u>		
Net Position:					
Invested in capital assets net of related debt				1,264,803	1,264,803
Restricted for tourist promotion				73,947	73,947
Unrestricted				132,049	132,049
Total net position					<u>\$1,470,799</u>

See accompanying notes to financial statements.

# West Baton Rouge Convention & Visitors Bureau

## Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Net Position

For the year ended December 31, 2013

	General Fund	Other Funds	Total	Adjustments (See Note 7)	Statement of Activities
<b>Expenditures/Expenses</b>					
General Government:					
Advertising and marketing	\$36,517	\$504,561	\$541,078		\$541,078
Contingencies	7,287	0	7,287		7,287
Catering expenses	133,305	0	133,305		133,305
Depreciation				35,105	35,105
Maintenance, repairs and security	45,815	5,001	50,816		50,816
Office, supplies and postage	40,075	711	40,786		40,786
Audit and accounting	15,832	0	15,832		15,832
Insurance	10,766	0	10,766		10,766
Landscape Project	0	0	0		0
Salaries, wages and related expenses	403,776	0	403,776		403,776
Utilities & telephone	40,316	0	40,316		40,316
Capital outlays	4,584	17,163	21,747	(21,747)	0
Debt Service:					
Principle	0	32,000	32,000	(32,000)	0
Interest	0	2,205	2,205	0	2,205
Total Expenditures/Expenses	738,273	561,641	1,299,914	(18,642)	1,281,272
	-----	-----	-----	-----	-----
<b>Program Revenue</b>					
Conference Center	204,571	0	204,571		204,571
Special Events	5,959	55,551	61,510	0	61,510
Expenditures/Expenses Net of Program Revenue	527,743	506,090	1,033,833	(18,642)	1,015,191
	-----	-----	-----	-----	-----
<b>General Revenue</b>					
Hotel - Motel Tax	\$475,108	\$0	\$475,108		475,108
From the State:					
Sales tax rebate	0	\$354,197	354,197		354,197
Interest income	88	135	223		223
Grants and other income	3,676	139,449	143,125		143,125
Total Revenues	478,872	493,781	972,653		972,653
Excess (Deficiency) of Revenues over Expenditures	(48,871)	(12,309)	(61,180)	18,642	(42,538)
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CONTINUED

See accompanying notes to financial statements.

# West Baton Rouge Convention & Visitors Bureau

## Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Net Position - Cont'd

For the year ended December 31, 2013

	General Fund	Other Funds	Total	Adjustments (See Note 7)	Statement of Activities
Excess (Deficiency) of Revenues over Expenditures from the Preceding Page	(\$48,871)	(\$12,309)	(\$61,180)	\$18,642	(42,538)
<hr/>					
<b>Other Financing Sources (Uses)</b>					
Transfer from Parish Council	0	0	0	0	0
Loss on disposition of asset	0	0	0	0	0
Total Other Financing Sources (Uses):	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(48,871)	(12,309)	(61,180)	<u>\$18,642</u>	(42,538)
<b>Fund Balance/Net Position</b>					
Beginning	163,403	103,775	267,178		1,513,337
Ending	<u>\$114,532</u>	<u>\$91,466</u>	<u>\$205,998</u>		<u>\$1,470,799</u>

See accompanying notes to financial statements.

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The West Baton Rouge Convention & Visitors Bureau was established May 12, 1977 as the West Baton Rouge Tourist Commission for the purpose of developing and carrying out programs designed to promote tourism in the area of West Baton Rouge Parish as provided for by Louisiana Revised Statutes 33:4574, et seq. The Commission's name was changed to the West Baton Rouge Convention & Visitors Bureau in 2007.

The financial statements of the West Baton Rouge Convention & Visitors Bureau have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting standards. The more significant of the Convention & Visitors Bureau's accounting policies are described below.

The accompanying basic financial statements have been prepared in conformity with GASB Codification Section 2600, Reporting Entity and Component Unit Presentation and Disclosure.

Reporting Entity - GASB Codification Section 2100, Defining the Financial Reporting Entity establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification Section 2100, the West Baton Rouge Convention & Visitors Bureau includes all funds, account groups, et cetera, that are within the oversight responsibility of the Convention & Visitors Bureau. Based on the criteria set forth in GASB Codification Section 2100, the Convention & Visitors Bureau is a component unit of the West Baton Rouge Parish Council because the Bureau is fiscally dependent on the Parish Council.

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

Date of Management's Review - Management has evaluated subsequent events through June 27, 2014, the date on which the financial statements were available to be issued.

Fund Accounting - The accounts of the West Baton Rouge Convention & Visitors Bureau are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and one broad fund category as follows:

Governmental Funds:

General Fund - The General Fund is the general operating fund of the Bureau. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose other than debt services or capital projects. The Bureau accounts for the State Sales Tax Rebate it receives in its Special Revenue Funds (See Note 2).

Measurement Focus/Basis of Accounting

Government-Wide Financial Statements (GWFS):

The Statement of Net Position (page 10) and Statement of Activities (page 11) display information about the Convention & Visitors Bureau as a whole. These statements

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

include all the financial activities of the Convention & Visitors Bureau. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

Program Revenues Program revenues included in the Statement of activities (page 11) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the Convention & Visitors Bureau's general revenues.

Fund Financial Statements (FFS):

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

The Convention and Visitors Bureau adopted GASB Statement 54 (GASB Codification Section 1300, Fund Accounting) in the year ended December 31, 2013. As such, fund balances of the governmental fund are classified as follows:

Nonspendable - amount that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal decision of the Convention and Visitors Bureau Board of Governors. The Board of Governors is the highest level of decision-making authority for the Visitors and Convention Bureau.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

Unassigned - all other spendable amounts.

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)**

The Board of Governors is the highest level of decision making authority for the West Baton Rouge Convention and Visitors Bureau. The Council would have to approve a resolution to approve or change any previously approved commitment of fund balance. The Board of Governors is also authorized to approve assigned fund balances. It is the Convention and Visitors Bureau's policy to spend unrestricted fund balances first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is the Convention and Visitors Bureau's policy to spend committed or assigned fund balances first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The West Baton Rouge Convention and Visitors Bureau does not have any policy regarding minimum fund balance amounts. The Board of Governors has authorized the executive director of West Baton Rouge Convention and Visitors Bureau to make fund balance assignments in accordance with GASB Statement 54.

The amounts reflected in the Governmental Fund Statements (pages 10 and 11) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of the current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Convention & Visitors Bureau's operations.

The amounts reflected in the Governmental Fund Statements (pages 10 and 11) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when related fund liability is incurred and certain compensated absences which are recognized when the

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)**

obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Transfers - Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sales of fixed assets, debt extinguishment, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Budgets and Budgetary Accounting - The Convention & Visitors Bureau followed these procedures in establishing the budget reflected in these financial statements:

1. The Convention & Visitors Bureau Executive Director and its Conference Center Coordinator prepare a proposed budget and submit it to the treasurer. After examination by the treasurer, the budget is submitted to the Convention & Visitors Bureau's Board of Governors for approval. After approval by the Convention & Visitors Bureau, the budget is submitted to the West Baton Rouge Parish Council. The Parish Council incorporates the Convention & Visitors Bureau Budget into the Parish Council Budget. The Convention & Visitors Bureau Budget is submitted to the Parish Council to allow enough time for the formal budget process followed by the Council to be completed. The Parish Council complies with the State Budget Law.

(CONTINUED)



West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

Budgets and Budgetary Accounting - (Cont'd)

2. Budgetary amendments involving the transfer of funds from one program or function to another requires the approval of the Convention & Visitors Bureau.
3. All budgetary appropriations lapse at the end of each fiscal year.

Cash and Investments - Cash includes amounts in demand deposits as well as short term certificates with maturity dates within twelve months of the date acquired by the government.

Cash is carried at cost which approximates market value. The carrying value of cash on deposit with financial institutions on December 31, 2013 was \$48,579 all of which is interest bearing.

The bank balances of these deposits totaled \$71,575 on December 31, 2013. At December 31, 2013 the Bureau's bank balances were secured by \$71,575 of FDIC insurance.

Investments - Local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Investments are stated at cost, which approximates market and is equal to the value of the pool shares.

Investments in LAMP held at December 31, 2013 were \$156,030.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

GASB Statement No. 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7 like investment pools.

Credit risk: LAMP is rated AAAM by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 51 as of December 31, 2014.

Foreign currency risk: Not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Cont'd)

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Risk Management - The Convention & Visitors Bureau is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Bureau purchases commercial insurance policies at levels which management believes is adequate to protect the Bureau. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

NOTE 2. REVENUE

Hotel - Motel Tax - The Convention & Visitors Bureau under the provision of Louisiana Revised Statutes Section 33:4574.1-A levies a four percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the jurisdiction of the commission. The proceeds from this tax are accounted for in the Bureau's General Fund.

State Sales Tax Rebate - Under the provisions of Louisiana Revised Statutes Section 47:332.12, the West Baton Rouge Parish Council is entitled to receive a portion of the state sales tax imposed on hotel occupancy within West Baton Rouge Parish. The money is to be used exclusively for the planning, development or capital improvements of tourism sites in West Baton Rouge Parish. The Parish Council has designated the West Baton Rouge Convention & Visitors Bureau to receive and expend these funds on behalf of the Parish Council. The proceeds from this source are accounted for in the Bureau's Special Revenue Funds. During 2000, the proceeds from the state sales tax rebate were pledged to secure bonds issued to finance a new tourist information and conference facility. The West Baton Rouge Parish Council now collects these funds (See Note 5).

(CONTINUED)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 2. REVENUE - (Cont'd)

During 2013, the Convention & Visitors Bureau recognized income of \$354,197 from the state sales tax rebate. The Parish Council collected and recognized as income all other amounts due to the parish for the state sales tax rebate.

NOTE 3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, <u>2013</u>	<u>Additions</u>	<u>Delete</u>	Balance December 31, <u>2013</u>
Land	\$ 838,106	\$ -0-	\$ -0-	\$ 838,106
Building & improvements	462,010	-0-	-0-	462,010
Exhibits	42,000	-0-	-0-	42,000
Christmas display	7,590	-0-	-0-	7,590
Office furniture and equipment	116,789	21,747	-0-	138,536
Vehicle	57,337	-0-	-0-	57,337
Uniforms	<u>2,594</u>	<u>-0-</u>	<u>-0-</u>	<u>2,594</u>
	1,526,426	21,747	-0-	1,548,173
Less accumulated depreciation	<u>215,265</u>	<u>35,105</u>	<u>-0-</u>	<u>250,370</u>
Total General Fixed Assets	\$ <u>1,311,161</u>	\$ <u>(13,358)</u>	<u>-0-</u>	\$ <u>1,297,803</u>

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

**NOTE 4. LONG-TERM DEBT**

During 2004 the Bureau issued certificates of indebtedness totaling \$274,000. The proceeds were used in the purchase of a tract of land.

The following is a summary of the Bureau's long-term debt transactions for the year ended December 31, 2013:

Long-term debt, January 1	\$ 65,000
New Debt issued	-0-
Principal repaid	<u>(32,000)</u>
Long-term debt, December 31	\$ <u>33,000</u>

Long-term debt payable at December 31, 2013 consisted of the following:

\$274,000 Certificates of Indebtedness,  
Series 2004 West Baton Rouge Parish  
Tourist Commission, payable annually  
through January 1, 2014, 4.5%  
interest

\$ 33,000

(Continued)

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 4. LONG-TERM DEBT - (Cont'd)

The annual requirements to amortize the long-term debt payable as of December 31, are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	<u>33,000</u>	<u>743</u>	<u>33,743</u>

NOTE 5. BONDS PAYABLE

The West Baton Rouge Convention & Visitors Bureau and the West Baton Rouge Parish Council joined together to construct and finance a tourist information center and conference facility on land owned by the Convention & Visitors Bureau. The Convention & Visitors Bureau and Parish Council obtained financing from the Louisiana Local Government Environmental Facilities and Community Development Authority ("LCDA"). The proceeds from the State Sales Tax Rebate, discussed in Note 2, has been dedicated to the repayment of the debt to the LCDA and is being collected and recorded as income by the Parish Council.

The New Building Reserve Fund and the Sinking Fund required by the financing agreement, the bonds payable, and the Capital Projects Fund used to construct the facility are being carried on the books of the West Baton Rouge Parish Council. The Convention & Visitors Bureau transferred \$86,281 from its Enterprise Fund to the Parish Council to establish the Enterprise New Building Reserve Fund in 2000.

(Continued)

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 5. BONDS PAYABLE - (Cont'd)

In addition, the Parish Council began collecting the State Sales Tax Rebate in 2000 and adds the amounts collected to the Reserve Fund.

The tourist information center was completed in 2002 and is recorded as an asset for \$1,333,563 on the books of the Parish Council. The building is being used by the Convention & Visitors Bureau as a tourist information center and convention facility. The Bureau's use of the facility is rent free.

Tourist Center Bonds, Series 2000 were issued September 1, 2000. The principal amount of the bonds issued was \$1,100,000. During 2001 an additional \$300,000 of bonds were issued. The first principal payment was due on September 1, 2001 and the final payment is due September 1, 2015. The unpaid balance at December 31, 2013 was \$165,000. During the year ended December 31, 2013, the Parish Council collected \$478,046 of State Sales Tax Rebate to be used to fund reserves and pay bonds. Cash and investment balances held by the Parish Council at December 31, 2013 were as follows:

Sinking Fund	\$ <u>-0-</u>
Reserve Fund	\$ <u>351,089</u>

During the year ended December 31, 2013 the Parish Council paid \$354,197 of the state sales tax rebate from the reserve fund to the West Baton Rouge Convention & Visitors Bureau.

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 6. PER DIEM PAYMENTS

There were no per diem payments made during 2013 to board members of the Convention & Visitors Bureau.

NOTE 7. RECONCILIATIONS

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET  
to STATEMENT OF NET POSITION

Fund Balance, December 31,	\$ 205,996
Interfund receivables are eliminated in the statement of Net Position	(26,341)
Capital assets used in govern- mental activities are not finan- cial resources and, therefore, are not reported in the funds.	
Capital assets net of accumulated depreciation	1,297,803
Interfund payables are eliminated in the Statement of Net Position	26,341
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Long-term debt	<u>(33,000)</u>
Net Position, December 31,	<u>\$1,470,799</u>

(Continued)



West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

NOTE 7. RECONCILIATIONS - (Cont'd)

RECONCILIATION OF STATEMENTS OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND  
BALANCE TO THE STATEMENT OF ACTIVITIES:

Net change in fund balance	
at December 31,	\$ (61,180)

Add: Capital Outlays which are considered as an expenditure on the Statement of Revenue, Expenditures, and Changes in Fund Balance	21,747
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Less: Depreciation expense for the year	(35,105)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principle on that debt consumes the current resources of governmental funds. Neither transaction, however, has an effect on net position.

Add: Principle payments	32,000
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Less: Proceeds of debt issued	<u>-0-</u>
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Change in net position for the year	\$ <u>(42,538)</u>
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West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

NOTES TO FINANCIAL STATEMENTS - (Cont'd)

December 31, 2013

**NOTE 8. GRANT INCOME**

During 2012 the West Baton Rouge Convention and Visitors Bureau was awarded a promotional grant from the Deepwater Horizon Economic and Property Damages Settlement Trust. The grant was a BP Gulf Seafood and Tourism Promotional Grant in the amount of \$149,600.

The grant was to reimburse the Bureau for costs expended to: Increase visitation measured through websites, email, and surveys. Increase visitors to West Baton Rouge Parish and the surrounding region. Increase awareness that Louisiana and its seafood products are safe. Increase attendance at festivals and events. Increase visitor spending by 3%.

During 2012 the Bureau received an advance payment of \$119,680, of that amount, \$14,051 was earned as reimbursements for expenses incurred for projects related to the grant and \$105,628 was recorded as a liability for "Grants received in advance" in the financial statements.

During 2013, the Bureau fulfilled the terms of the grant and recognized \$135,548 as income. Of that amount \$105,628 was the amount deferred in 2012 and earned in 2013 and a final payment of \$29,200 was accrued and earned in 2013. This income is included in Grant and other income" in the financial statements.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

# West Baton Rouge Convention & Visitors Bureau

## Budgetary Comparison Schedule - General Fund

For the year ended December 31, 2013

	Budget Original	Budget Final	Budget Basis	Adjustments to Budget Basis (See Note 7)	Actual on GAAP Basis
<b>Revenues</b>					
Hotel - Motel Tax	\$435,000	\$471,106	\$475,108		\$475,108
Hotel-Motel Tax from State	0	0	0		0
Interest income	200	76	88		88
Conference center	250,000	207,320	204,571		204,571
Grants and other income	4,600	2,792	3,676		3,676
Special events	59,000	6,817	5,959		5,959
<b>Total revenues</b>	<b>748,800</b>	<b>688,111</b>	<b>689,402</b>		<b>689,402</b>
	-----	-----	-----		-----
<b>Expenditures</b>					
Current:					
Advertising and marketing	45,000	38,040	36,517		36,517
Contingencies	0	1,622	7,287	0	7,287
Catering expense	200,000	149,500	133,305		133,305
Depreciation				35,105	35,105
Repairs, Maintenance & security	50,000	54,677	45,815		45,815
Office, supplies and postage	20,000	16,100	40,075		40,075
Audit and accounting fees	12,000	17,365	15,832		15,832
Insurance	14,000	10,766	10,766		10,766
Salaries, wages and related expenses	414,000	390,013	403,776		403,776
Utilities & telephone	40,000	40,000	40,316		40,316
Capital outlays	10,000	0	4,584	(4,584)	0
Debt Service:					
Principle	0	0	0	0	0
Interest	0	0	0	0	0
<b>Total Expenditures</b>	<b>805,000</b>	<b>718,083</b>	<b>738,273</b>	<b>30,521</b>	<b>768,794</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(56,200)</b>	<b>(29,972)</b>	<b>(48,871)</b>	<b>(30,521)</b>	<b>(79,392)</b>
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CONTINUED

See accompanying notes to financial statements.

# West Baton Rouge Convention & Visitors Bureau

## Budgetary Comparison Schedule - General Fund - Cont'd

For the year ended December 31, 2013

	Budget Original	Budget Final	Budget Basis	Adjustments to Budget Basis (See Note 7)	Actual on GAAP Basis
Excess (Deficiency) of Revenues over Expenditures from the Preceding Page	(\$56,200)	(\$29,972)	(\$48,871)	(\$30,521)	(\$79,392)
<b><u>Other Financing Sources (Uses)</u></b>					
Transfer from Parish Council	0	0	0		0
Loss on disposition of asset	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(56,200)	(29,972)	(48,871)	(30,521)	(79,392)
<b><u>Fund Balance/Net Position</u></b>					
Beginning	163,403	163,403	163,403		999,342
Ending	<u>\$107,203</u>	<u>\$133,431</u>	<u>\$114,532</u>	<u>(\$30,521)</u>	<u>\$919,950</u>

See accompanying notes to financial statements.

# West Baton Rouge Convention & Visitors Bureau

## Budgetary Comparison Schedule - Special Revenue Funds

For the year ended December 31, 2013

	Budget Original	Budget Final	Budget Basis	Adjustments to Budget Basis (See Note 7)	Actual on GAAP Basis
<u>Revenues</u>					
Sales tax rebate from State	\$300,000	\$354,197	\$354,197		\$354,197
Interest income	200	135	135		135
Grants & other income	118,129	146,092	139,449		139,449
Special events	60,000	57,690	55,551		55,551
Total revenues	478,329	558,114	549,332		549,332
	-----	-----	-----		-----
<u>Expenditures</u>					
Current:					
Advertising and marketing	270,000	538,635	504,561		504,561
Maintenance, repairs and security	10,000	4,800	5,001		5,001
Office, supplies and postage	0	0	711		711
Insurance	0	0	0		0
Capital outlays	100,000	15,265	17,163	(17,163)	0
Debt Service:					
Principal retirement	32,000	32,000	32,000	(32,000)	0
Interest	2,205	2,205	2,205	0	2,205
Total Expenditures	414,205	592,905	561,641	(49,163)	512,478
Excess (Deficiency) of Revenues over Expenditures	64,124	(34,791)	(12,309)	49,163	36,854
<u>Other Financing Sources (Uses)</u>					
Issuance of lease payable	0	0	0		0
Sale of capital asset	0	0	0	0	0
Excess (Deficiency) after Other Financing Uses	64,124	(34,791)	(12,309)	49,163	36,854
<u>Fund Balance/Net Position</u>					
Beginning	103,755	103,755	103,775	0	513,995
Ending	\$167,879	\$68,964	\$91,466	\$49,163	\$550,849

See accompanying notes to financial statements.

SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS

West Baton Rouge Convention & Visitors Bureau

Port Allen, Louisiana

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Under the provisions of Louisiana Revised Statutes Section 47:332.12 the West Baton Rouge Parish Council is entitled to receive a portion of the state sales tax imposed on hotel occupancy within West Baton Rouge Parish. The money is to be used exclusively for the planning, development or capital improvements of tourism sites in West Baton Rouge Parish.

During 1999 in addition to the rebate, \$300,000 of surplus hotel-motel tax from the West Baton Rouge Parish Enterprise fund was received. This money is earmarked for the Parish's Riverfront Development Project.

The Parish Council has designated the West Baton Rouge Convention & Visitors Bureau to receive and expend these funds on behalf of the Parish Council.

During 2000, the Convention & Visitors Bureau and the Parish Council pledged future revenues from the state to the repayment of bonds issued to construct a tourist and convention facility. In 2000 the Parish Council began collecting the Parish's portion of the state sales tax.



**West Baton Rouge Convention & Visitors Bureau**  
**COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS**

December 31, 2013

**ASSETS**

	<b><u>Enterprise Fund</u></b>	<b><u>Riverfront Development</u></b>	<b><u>Total</u></b>
<b><u>Assets</u></b>			
Cash - demand deposits	\$48,554	\$0	\$48,554
Accounts receivable	34,026	0	34,026
Investment - LAMP	63,217	0	63,217
Prepaid expenses	0	0	0
Interfund receivables	3,250	21,880	25,130
 Total assets	 \$149,047	 \$21,880	 \$170,927

**LIABILITIES AND FUND BALANCE**

<b><u>Liabilities</u></b>			
Accounts payable	\$75,000	\$0	\$75,000
Grant received in advance	\$0	\$0	0
Interfund payables	100	4,361	4,461
 Total Liabilities	 75,100	 4,361	 79,461
 <b><u>Fund Balance</u></b>			
Fund balance -			
Reserved for Tourist Promotion	73,947		73,947
Committed for Tourist Promotion	0	17,519	17,519
 Total Liabilities and Fund Balance	 \$149,047	 \$21,880	 \$170,927

See accompanying notes to financial statements.

# West Baton Rouge Convention & Visitors Bureau

## COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - ALL SPECIAL REVENUE FUNDS

For the year ended December 31, 2013

	<u>Enterprise Fund</u>	<u>Riverfront Development</u>	<u>Total</u>
<u>Revenues</u>			
Interest income	\$135	\$0	\$135
From the State:			
Sales tax rebate	354,197		354,197
Special events	55,551		55,551
Grants & other income	<u>139,449</u>	<u>0</u>	<u>139,449</u>
Total revenues	<u>549,332</u>	<u>0</u>	<u>549,332</u>
	-----	-----	-----
<u>Expenditures</u>			
Current:			
Advertising and marketing	504,561	0	504,561
Insurance	0	0	0
Maintenance, repairs and security	5,001	0	5,001
Supplies and postage	711	0	711
Capital outlays	17,163	0	17,163
Debt Service:			
Principle	32,000	0	32,000
Interest	<u>2,205</u>	<u>0</u>	<u>2,205</u>
Total Expenditures	<u>561,641</u>	<u>0</u>	<u>561,641</u>
Excess (Deficiency) of Revenues over Expenditures	(12,309)	0	(12,309)
<u>Other Financing Sources (Uses)</u>			
Contributions	0	0	0
Sale of asset	0	0	0
Excess (Deficiency) after Other Financing Uses	(12,309)	0	(12,309)
Fund Balance, January 1, 2013	<u>103,775</u>	0	103,775
Fund Balance, December 31, 2013	<u>\$91,466</u>	<u>\$0</u>	<u>\$91,466</u>

See accompanying notes to financial statements.



**CALVIN L. ROBBINS, JR.**

**CERTIFIED PUBLIC ACCOUNTANT**  
(A PROFESSIONAL CORPORATION)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Chairman and Members of the  
West Baton Rouge Convention & Visitors Bureau  
Port Allen, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the West Baton Rouge Convention & Visitors Bureau (Bureau), as of and for the year ended December 31, 2013, and the related notes to the financial statements which collectively comprise the Bureau's basic financial statements and have issued my report thereon dated June 27, 2014.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered West Baton Rouge Convention & Visitors Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Baton Rouge Convention & Visitors Bureau's internal control. Accordingly, I do not express an opinion on the effectiveness of the Bureau's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I considered to be material weaknesses. However, material weaknesses may exist that were not identified. As described in the accompanying Schedule of Findings and Responses, I did identify certain deficiencies (2012-1 and 2012-2) in internal control that I considered to be significant deficiencies.

#### COMPLIANCE AND OTHER MATTERS

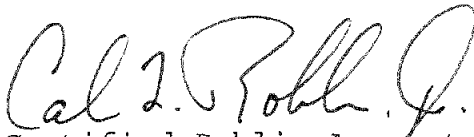
As part of obtaining reasonable assurance about whether the West Baton Rouge Convention & Visitors Bureau's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### WEST BATON ROUGE CONVENTION & VISITORS BUREAU'S RESPONSE TO FINDINGS

The West Baton Rouge Convention & Visitors Bureau's managements' responses to the deficiencies identified in my audit are described in the accompanying Schedule of Findings and Responses. I did not audit those responses and accordingly express no opinion on them.

#### PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bureau's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Certified Public Accountant  
(A Professional Corporation)

June 27, 2014  
Baton Rouge, Louisiana

West Baton Rouge Parish Convention and Visitors Bureau  
Port Allen, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES

December 31, 2013

FINDINGS

2013-1 and 2012-1. An important element in designing an internal accounting control system that safeguards assets and reasonably insures the reliability of the accounting records is the concept of segregation of responsibilities. No one person should be assigned duties that would allow that person to commit an error or perpetrate fraud and to conceal the error or fraud. For example, the same person should not be responsible for any two of the following functions:

- 1) Authorization of a transaction;
- 2) Recording of the transaction; and
- 3) Custody of assets involved in the transaction.

Due to the small size of the organization, a proper segregation of duties is not possible with respect to cash transactions.

This is a repeat finding.

Entity Response

Management believes it is not practical or cost effective to correct this weakness.

2013-2 and 2012-2. The Bureau does not have employees with sufficient expertise and training to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

This is a repeat finding.

Entity Response

The Bureau's management is aware of this condition, and feels hiring an employee with the requisite qualifications would be cost prohibitive. They feel the most cost effective solution is to have their external auditor assist in preparing year end financial statements in accordance with GAAP.